

State of the City Address 2009

*Mayor Wasserman
City of Fremont*

·I would like to thank the Fremont Chamber of Commerce for hosting today's luncheon and welcome everyone to the annual State of the City Address.

·Let me start by acknowledging the members of the City Council.

Together we work to lead the City through good times and challenging ones.

Vice Mayor Anu Natarajan
Councilmembers Bob Wieckowski
Bill Harrison
and Suzanne Chan

·I would like to thank you all for your hard work and dedication to making Fremont a great place to live, work, and play.

·I would also like to recognize City Manager Fred Diaz and those of his staff who are here today.

Fremont is fortunate to have such dedicated City staff serving our community.

·While preparing for my fifth State of the City address,

I find that the theme across the country is the same.

·Everyone is focused on declining financial resources,
as well as the downward spiral of the national economy.

But you know, I also feel a sense of hope.

·Fremont has been through troubling financial times before.

·In fact, what I have to report today is truly

The Good, the Bad, and the Ugly.

I will start with the bad and ugly, and then hopefully end with some good news.

- Locally we've been aware of the recession for some time, and as a result, have made adjustments to our budget to deal with these challenging times.

- The housing market and consumer spending continue to worsen and affect the top two sources of City revenue, which are property tax and sales tax.

- Property tax is the City's largest revenue source, comprising 47 percent of our general fund revenues.

- We know that our housing prices have flattened and that we've had significant tax delinquencies that will certainly reduce our property tax collections.

- In addition, auto sales have declined and construction has stalled, thus reducing our sales tax revenue.

- We have seen auto dealerships close, including Superior Nissan and Central Chevrolet of Fremont, as well as a movie theater and several big box retailers like Circuit City and Linens N Things go out of business.

- What does this mean for the City?

It means that we are facing a \$13.1 million dollar deficit in the next fiscal year.

- In anticipation of lower operating revenues, we will be taking proactive steps to address the projected shortfall.

- We plan to use one-time funds of \$3.6 million dollars from the Budget Uncertainty Reserve.

- We will also suspend funding for \$1 million dollars of capital projects and reduce ongoing expenditures by \$8.5 million dollars to help make up the anticipated

funding gap.

- This will certainly cause unavoidable reductions in the essential services we provide, including public safety, streets, and tree and park maintenance.

- And with declining revenues, come other losses for the City to bear.

- But, depending on one's perspective,

the toughest loss to deal with came last month when the Oakland A's chose to discontinue their efforts to move to Fremont.

- This is a loss of what could have been a great opportunity for Fremont.

Some saw the A's as our economic stimulus package to lead us to economic sustainability and bring with it the pride and esteem that goes along with being a major league city.

- For many of us, opening day on April 10 in Oakland will be a hard pill to swallow.

- All right, that is enough of the bad and ugly.

Now for the good news.

- The City has positioned itself to apply for and receive all federal stimulus funding for which we are eligible.

We anticipate that some important City projects and services can move forward under the national recovery program.

- We have developed a list of possible projects that may be eligible for funding and expect that we will be able to begin making formal applications within a couple of months.

- Part of the stimulus package includes:

- funding for police officers.

The City will be applying for eight police officer positions for a total of about \$1.2 million dollars.

Because of our lean police staffing, we believe we will compete well,
so keep your fingers crossed!

We are also receiving an additional \$268,000 dollars for public safety technological enhancements that will help the department do their job.

In the meantime, we've already got a head start on the stimulus package.

One of our new companies, Solyndra,

which is in the solar manufacturing business, recently received a \$535 million dollar loan guarantee from the U.S. Department of Energy.

This will fund construction of a local factory to make solar cylinders as well as create about 3,000 jobs during the construction of the facility, and when completed, 1,000 permanent jobs in Fremont.

I am also happy to report that the City will receive \$1.9 million dollars from the Department of Energy for energy efficiency and conservation improvements.

So as you can see, we are off to a stimulating start!

·We are also proactively helping our local businesses.

· The Council has approved a Local Business Stimulus Package, which includes reducing the cost of City fees and permits in order to help local businesses grow and attract new businesses,

increasing the local business purchasing preference from 2.5 percent to 5 percent through the end of 2010,

exempting clean technology firms from the Business License Tax also through the end of 2011.

We will also

expand the City's "[Shop Fremont](#)" campaign,

continue business workshops and counseling services in partnership with the Chamber of Commerce and Library,

promote the Commercial Rehabilitation Program in the Redevelopment Project Areas,

partner with local educational institutions and employment agencies to promote job training and employment resources,

continue promoting Employment Training Panel funds and Industrial Development Bonds for qualifying businesses,

and update the Sign Ordinance to allow more leeway and flexibility for business marketing efforts.

·I'd like to thank the Chamber for their support of this initiative.

Moving on, we have relatively diverse and stable industries to help us weather this tough economic storm.

·We have strong industry clusters in high-tech, biotech, and an emerging clean and green tech cluster.

·In addition to Solyndra, we have a number of other clean and green tech companies that have recently made Fremont their home.

·We are also continuing to work with developers interested in building an additional regional retail center and are beginning the planning efforts for our Central Business District.

·The regional retail center is known as "Creekside Landing" and is a proposed 400,000 square foot retail center located at Dixon Landing Road and Interstate 880 at the southern border of Fremont.

·The City also has a new development partner in the Central Business District.

We look forward to working with TMG Partners of San Francisco in hopes that we can finally get a significant project done.

·While things are slow on the economic front, there is much good that is happening with some of our large scale projects, public safety, and community outreach efforts.

·The City continues its work of updating our General Plan and plan to have a draft completed by the Fall of this year.

The draft Housing Element, which is the first part of the new General Plan, was approved by the Council for submittal to the State earlier this month.

It had broad community support from the business community and housing advocates alike.

·The General Plan will also incorporate environmental sustainability as an overarching theme.

·Speaking of environmental sustainability, last year I appointed a Green Task Force to develop recommendations to the City Council on sustainability.

·We also conducted an inventory of our community's green-house gas emissions, anticipating a reduction goal.

·The Council then adopted a 25 percent reduction goal in green-house gas emissions by 2020.

·The City will develop a specific Climate Action Plan to reach that goal, but isn't waiting for that plan to reduce the environmental impact of our City operations, as many measures are taking place as we speak.

·We're also developing green building guidelines for new residential construction and we've already reduced our permit fees for residential solar panel installation.

·Moving on to some of our major projects:

·I am happy to report that the BART Extension to Warm Springs is now fully funded with support from the Metropolitan Transportation Commission, the Santa Clara Valley Transportation Authority, the Alameda County Transportation Improvement Authority, and BART.

·With full funding assured, construction will begin this summer and last for approximately three and a half years.

·BART service to Warm Springs is scheduled to begin in mid-2014.

·I would like to add that at the time the BART to Warm Springs Station was approved 30 years ago, there was no provision for an Irvington BART Station.

Over the years, we determined that one should be built.

·We are hopeful that we will have it fully funded and under construction as soon as the BART extension is completed.

·Also, the new Washington Boulevard Bridge will open to traffic in early April, while the new Paseo Padre roadway will open in late summer.

·The full project is scheduled to be completed by the end of this year,

AHEAD of schedule and

under budget.

·Last in the area of major transportation projects, is the Interstate 880 - Mission Boulevard Interchange, one of the largest interchange projects in the Bay Area.

·The first phase of this interchange is almost complete after nearly four years of construction.

·Most of the new ramps between 880 and Mission Boulevard have been completed and are open to traffic.

·The freeway has been widened and the new carpool lanes are open.

·And if you've driven this stretch of freeway, I'm sure you have noticed the decline in heavy congestion.

·And next month we anticipate the new interchange at Warren Avenue to open.

·The next phase of this project will widen Mission Boulevard between 880 and

Warm Springs Boulevard,

add ramps from Mission to Kato Road,

and include a Grade Separation of Warren Avenue from the Union Pacific Railroad and future BART tracks to San Jose.

- This will greatly alleviate bottlenecks on the Mission Boulevard ramps from the freeway.

- The start of construction will begin this time next year.

- Moving from this regional-serving project to one that is very local,

I'm pleased to report that the development of the Niles Town Plaza is well under way.

The historic freight building has been relocated to its permanent location on the Plaza and renovation work is complete.

- The two-acre Plaza will provide an important public space in the heart of one of Fremont's historic areas on the site of an abandoned Union Pacific rail yard and should be completed this year.

- In addition to these projects, we also have other ones worthy of mentioning.

- Projects funded by the Fire Safety Bond continue to progress.

- The new Centerville fire station is now open.

We had our dedication ceremony last week.

- Niles' new fire station began construction last September and is estimated to be completed this Fall.

- The Irvington fire station will start construction later this year.

- In addition, the Fire training classrooms located at City Hall, will be completed next month.

We'll be hosting a chamber mixer there in May and you're all certainly invited to attend.

- The Police Department has worked with other Alameda County Animal Shelters to find adoptive families for shelter animals

and increase the transfer of adoptive animals to the East Bay SPCA thus reducing the number of euthanizations.

- This has resulted in a 38 percent reduction in the number of euthanized animals over the previous year.

- And after many years of technological developments, the Police Dispatch Center can now accept all cellular 9-1-1 calls and

Voice-Over-Internet Protocol calls, commonly known as VOIP.

- This will significantly reduce response time.

- In addition, we have developed a system for handling critical incidents at high schools and have expanded our Street Crimes Unit services to apartment complexes to help decrease crimes in those sectors.

- Moving now from public safety, I'd like to highlight some great work we're doing in the area of human services.

- Our Fremont Family Resource Center is a collaborative of 27 City, County, State, and non-profit social service agencies who serve families in the Tri-City area.

- Last year, they had over 113,000 contacts, clients, and visitors come through.

They were certainly busy!

- Also noteworthy is that the Volunteer Income Tax Assistance Program last year served 1,150 families in 27 different languages, and helped clients bring home over \$2.1 million dollars in state and federal tax credits and refunds.

This year, they have already served as many families and we still have two weeks until Tax Day.

- Finally, you're all invited to the gala fundraiser on May 2 to celebrate the Family Resource Center's tenth anniversary.

We look forward to seeing you there.

- Moving on to recreational activities, there are some exciting things to report.
- A new, one-of-a kind playground will break ground in Central Park in May.
- All children, including those with a range of physical, developmental, or sensory disabilities, will enjoy the special design of the structures, activities, and playground environment.
- This is thanks to the Always Dream Foundation, a foundation created by Olympic Gold Medalist, and Fremont native daughter, Kristi Yamaguchi.
- We won't be using any General Fund dollars to build the playground, which will be located along Stevenson Boulevard near the tennis courts.

- Also taking place in Central Park, and back by popular demand, is our Summer Concert Series.
- Special thanks to the Saddle Rack, Niles Rotary, Comcast, and the American Swim Academy for sponsoring the Summer Concert series so that each concert can be free.

- Finally, I want to mention a project that will be a very popular place in the future for Fremont residents and visitors alike.
- The construction of Aqua Adventure Waterpark is complete and within budget. Operations will be fully funded through sponsorships, grants, and fees.
- We are currently ramping up for the grand opening in May.
- Over 100,000 patrons will be able to enjoy a summer of fun in the sun thanks to our community partners, including Fremont Bank, the Candle Lighters, and Palo Alto Medical Foundation.
- Public response continues to be positive with nearly 900 season passes already sold,

53 birthday parties pre-booked,

day camps lining up, and even some corporate events already scheduled for September.

·This park is for everyone and we are actively pursuing sponsorships to assist those families who cannot afford an admission.

We currently have \$6,000 dollars in donations and hope to reach our goal of \$10,000.

·In addition to helping those in need, the Water Park will provide over 100 seasonal jobs for first-time job seekers and those wanting to supplement their income.

·This park couldn't be opening at a better time to help our community with something positive to do as well as provide employment opportunities.

·You're all invited to a "Sneak Peek" on Saturday, May 16,

when we'll host the Aqua Adventure Celebration in conjunction with the annual Kids and Kites Festival at Central Park.

·The celebration will include the park dedication, ribbon cutting, and tours.

·And the Waterpark will officially open to the public on Memorial Day weekend.

·So from making a splash to navigating the current unstable economy,

the City will continue to carry on and do the very best we can

with resources that are far below what is needed to manage a city of our size.

·But you know what, this is not new to Fremont.

We've done it before and we will persevere.

·As I close, I want to encourage the Fremont community to support our local businesses as well as our City programs.

·Ultimately, working together, we will get through these challenging times.

·And, as always, there is hope around the corner.

·I thank you for the opportunity to update you on the State of the City.

Q & A